



For Immediate Release

CANYON CATALYST FUND AND SACK PROPERTIES ACQUIRE TWO APARTMENT COMMUNITIES IN THE SAN FRANCISCO AREA

720 North in Sunnyvale and Skyline Vista Apartments in Pacifica to undergo significant improvements

LOS ANGELES, Calif. (October 14, 2013)—The Canyon Catalyst Fund and San Francisco-based Sack Properties have made two investments in the San Francisco area, acquiring a 116-unit garden-style apartment community in Sunnyvale and a 44-unit multifamily property in Pacifica with views of San Francisco Bay. Both will undergo a series of improvements over the next year.

Located in the heart of Silicon Valley, 720 North sits on four acres just east of highway 101 in Silicon Valley, within close range of several large employers including Lockheed Martin Space Systems, Yahoo and Juniper Networks, as well as the Caltrain commuter rail. The Class B apartment community includes 17 separate buildings with a mix of studio, one-bedroom and two-bedroom apartments that feature large living areas. The team's property improvement program will focus on addressing deferred maintenance and upgrading common areas by installing new landscaping, improving the community's three pools, creating a new dog park and purchasing new fitness equipment. Individual units will also be renovated as they turn over.

Skyline Vista Apartments is a fully occupied apartment community in the City of Pacifica, minutes away from the South San Francisco BART Station and many mid-peninsula tech employers including Facebook, Oracle and EA Sports. The two-bedroom, two-bath units all feature split-level layouts, with many overlooking the San Francisco Bay. Ground floor apartments include large private yards. The Skyline Vista Apartments will also undergo significant improvements in the months ahead, including updated landscaping and amenities, construction of a new leasing office and a remodeled barbeque and picnic area.

"The San Francisco Bay area has long been a highly desirable market for multifamily investment due to strong underlying fundamentals and the robust demand for apartment housing, so these are particularly compelling investments for our new partnership," said Maria Stamolis, Managing Director at Canyon Capital Realty Advisors.

"We were drawn to these two apartment communities because they are both in prime locations and offer tremendous upside potential through a series of much-needed property improvements," said Kirby Sack, CEO of Sack Properties. "Given the high cost of homeownership in the San Francisco area, we believe 720 North and Skyline Vista Apartments will offer great options for people looking for recently renovated, attractive homes at reasonable prices."

The San Francisco acquisitions are some of the first within the Canyon Catalyst Fund, a new joint venture between Canyon Capital Realty Advisors and the California Public Employees' Retirement System (CalPERS). The \$200 million fund, which will facilitate \$400 million of investment, is designed to identify early stage real estate managers with strong potential for success, access to unique investment opportunities, and cultivate the next generation of CalPERS portfolio talent.

San Francisco Investments - Canyon Catalyst Fund / 2-2-2

Ryan Wagner of Colliers International was the listing broker for Skyline Vista Apartments transaction, and Seth Siegel, Rawley Nielsen, Jason Parr, Simon Hermann, and Todd Vitzthum of Cushman & Wakefield represented the sellers of 720 North.

About the Canyon Catalyst Fund

The Canyon Catalyst Fund is a joint venture between Canyon Capital Realty Advisors (CCRA) and the California Public Employee's Retirement System (CalPERS) aimed at developing the next generation of real estate managers and deploying \$400 million into urban markets across California. Leaders from CCRA will work closely with emerging managers, acting as mentors and advisors to ensure the incorporation of best-in-class practices. CCRA is the real estate direct investing arm of Canyon Partners, LLC. Canyon Partners and its affiliates, including Canyon Capital Advisors, CCRA and ICE Canyon, are investment management firms and registered investment advisors headquartered in Los Angeles, California, with approximately \$23 billion in assets under management.

About Sack Properties

Sack Properties is a highly entrepreneurial organization with a decades-long track record of successful acquisition, management, and disposition of a broad range of multifamily properties. The current portfolio includes 1290 apartments and condominiums in 12 communities within the San Francisco Bay Area. Sack Properties recently raised its first Fund with a focus is on acquiring well located apartments in supply constrained coastal California submarkets and adding value through physical, management, and marketing improvements. The management team's detail-oriented and hands-on approach to due diligence, renovations and property management results in higher returns for investors and attractive rental home values for residents.

MEDIA CONTACT

Steve Sugerman
(310) 974-6680 / www.sugermangroup.com

#